

**SPECIAL JOINT MEETING OF THE COSTA MESA
REDEVELOPMENT AGENCY AND THE CITY COUNCIL**

March 8, 2011

The Costa Mesa Redevelopment Agency and City Council met in a Special Joint Meeting held on Tuesday, March 8, 2011, in the Council Chambers of City Hall, 77 Fair Drive, Costa Mesa. Agency Chairperson Righeimer called the meeting to order at 6:50 p.m.

I. PLEDGE OF ALLEGIANCE – led by Agency Member/Mayor Monahan

II. ROLL CALL

Members Present: Agency Chair/Mayor Pro Tem Jim Righeimer
 Agency/Council Member Eric Bever
 Agency/Council Member Wendy Leece
 Agency Member/Mayor Gary Monahan

Members Absent: Agency Vice Chair/Council Member Stephen Mensinger

Officials Present: Executive/Development Services Director Kimberly Brandt
 Agency/City Attorney Tom Duarte
 Neighborhood Improvement Manager Muriel Ullman
 Special Agency Counsel Celeste Brady
 Public Services Director Peter Naghavi
 Budget & Research Officer Bobby Young
 Management Analyst Dan Baker
 Agency Secretary Martha Rosales

III. CLERK'S STATEMENT

The Special Joint Redevelopment Agency/City Council Meeting Agenda and Notice and Call were posted at the City Council Chambers, Adams Postal Office, Headquarters Police Department, the Neighborhood Community Center and the Mesa Verde Public Library on Thursday, March 3, 2011.

IV. PUBLIC COMMENTS

Chair Righeimer opened the session for public comment.

Beth Refakes, Eastside resident, spoke about California Redevelopment Agency legislation and the reviews of California Redevelopment agencies conducted by the State Controller to justify the elimination of Redevelopment agencies. She asked how Costa Mesa fared in the State Controller's review of the Redevelopment agencies.

Chair Righeimer closed the public comments session and asked if staff knew how Costa Mesa rated on the State Controller's review.

Executive Director Brandt reported that Costa Mesa was not included in the 18 Redevelopment agencies audited by the State Controller. The only Redevelopment Agency in Orange County audited by the State Controller was the City of Placentia.

V. NEW BUSINESS

1. Changes to HOME and Redevelopment Agency Rehabilitation Programs

Neighborhood Improvement Manager Muriel Ullman presented the staff report.

Agency Member/Mayor Monahan noticed one of the recommendations was to limit the HOME grants to 80% and asked if the City was loaning at 100% of the median. Ms. Ullman responded that HOME Program grants were 80% and below and Redevelopment Program grants fluctuated from 0 to 120%. Staff was requesting the Redevelopment Program to mirror the HOME Program and only offer grants to low-income people who were at 80% of the median. Agency Member/Mayor Monahan asked questions pertaining to Attachment B (Survey on Rehab Grant Programs 2010 No Contact) and questions regarding

the median percentages on Attachment A (Income Eligibility Table). Ms. Ullman provided Agency Member/Mayor Monahan with answers to his questions.

Agency/Council Member Leece asked if rejecting applications for people who returned with emergencies was a problem for staff. Ms. Ullman explained that people had different interpretations of what an emergency was and if staff kept issuing more than one emergency grant, there could be a problem in the future. Staff wanted to limit emergency grants to people who were truly in need and who had true emergencies,

Agency/Council Member Bever asked with regards to the properties if staff was looking at addresses only or addresses under owner. Ms. Ullman stated staff was looking at addresses under owner.

Special Agency Counsel Celeste Brady offered further clarification to the questions posed by Agency Member/Mayor Monahan regarding the income eligibility table in Attachment A and explained a two-step process under Redevelopment Law.

Agency Member/Mayor Monahan asked if a homeowner was in a financial bind for spending more than 30% on his home, would the homeowner be ineligible for the Redevelopment Program. Ms. Brady said the homeowner would be ineligible for the Redevelopment Program but might be eligible for the federally funded program. She explained there was a 3-prong test in Redevelopment Law that applied when housing money was spent. First, the homeowner had to be income-qualified (moderate, low or very low). Second was improve, increase or preserve the community supply of housing and third was affordable housing cost (statutory definition of what was affordable rent and what was affordable for ownership). Staff could not spend a Redevelopment dollar on homeowners who did not meet the three prongs.

Agency/Council Member Bever asked what staff did in cases where a household could not document their income. Ms. Ullman said households had to document their incomes. Staff requested bank statements from applicants who had no income because they were self-employed. Depending on whether the loan/grant was HOME or Redevelopment, staff called the City Attorney or Special Agency Counsel to set forth good criteria with regards to what questions to ask self-employed applicants. Ms. Ullman reported staff also had people with rental property and no income due to depreciation; however, current guidelines excluded people with rental property from receiving loans/grants.

Chair/Mayor Pro Tem Righeimer questioned why there was an affordable housing cost for rents if staff was not using rental housing or giving grants to rental housing. Ms. Ullman explained that low-income homeowners who owned rental housing were ineligible because the City did not allow homeowners to own rental housing. Homeowners had to be low income and their home had to be the sole property. Chair/Mayor Pro Tem Righeimer asked if grants were given to rental housing. Ms. Ullman stated grants were only given to single-family housing. Chair/Mayor Pro Tem asked if staff gave would give a grant to a house that was for rent. Ms. Ullman said no and added the City had not had a Rental Rehab Program in about 10 to 15 years.

Chair/Mayor Pro Tem Righeimer opened the session for public comment.

He stated he was "tight" when it came to grants because when he worked for the County and staff made a grant look like a loan people were no longer interested. The policy-decision was to review it and ask, "at what level do we want to give grant money to people that already own their home and want to fix it up" and why would Costa Mesa go to 80% when surrounding cities were issuing grants at 50%. Ms. Ullman said all mobile homeowners were 50%; going to 80% would give staff the flexibility to assist people facing job losses or illnesses in the family. In Code Enforcement situations it could be used as a neighborhood improvement tool. Homeowners at 60% with vector control problems, for instance, could receive assistance instead of being cited.

Chair/Mayor Pro Tem Righeimer asked if staff could keep the median at 50% and increase it to 80% if there was a Code Enforcement issue. Ms. Ullman said staff could do that.

Agency/Council Member Leece asked if going to 50% would affect the City qualifying for RHNA and low-income. Ms. Ullman stated there were RHNA goals for low and very low. Since the City did not have a lot of low-income programs anymore it would be fine. Ms. Brady reported the City would be limited on new construction and substantial rehabilitation to 25% of the RHNA allocation. She explained these particular grants were non-substantial because they were smaller; therefore, the City would not receive RHNA credit.

MOTION: Voting as the City Council, approve to change the median for HOME grants to 50% and 80% if Code Enforcement issues existed; approve Recommendation #1 (Limit the number of HOME grants to no more than one emergency grant and one non-emergency grant during the life of the Program) and Recommendation #2 (Authorize the Chief Executive Officer or his designee to make minor changes to the Program). Moved by Mayor Gary Monahan, seconded by Mayor Pro Tem Jim Righeimer.

The motion carried by the following roll call vote:

Ayes: Mayor Gary Monahan, Mayor Pro Tem Jim Righeimer, Council Member Eric Bever, Council Member Wendy Leece,
Noes: None.
Absent: Council Member Stephen Mensinger

MOTION: Voting as the Agency, modify Agency Recommendation #1 as follows: approve to change the median for Redevelopment grants to 50% and 80% if Code Enforcement issues existed; approve Recommendation #2 (Limit the number of Redevelopment Single Family grants to no more than one emergency grant and one non-emergency grant per property during the life of the Program), and Recommendation #3 (Authorize the Executive Director or her designee to make minor changes to the Program). Moved by Agency Member Gary Monahan, seconded by Agency Chair Jim Righeimer.

The motion carried by the following roll call vote:

Ayes: Agency Member Gary Monahan, Agency Chair Jim Righeimer, Agency Member Eric Bever, Agency Member Wendy Leece,
Noes: None.
Absent: Agency Vice Chair Stephen Mensinger

2. Redevelopment Agency Legislation Update

Executive Director Kimberly Brandt presented the staff report.

Agency Member/Mayor Monahan recalled reading in a staff report that if the Agency/Council approved the Cooperation Agreement and paid back an additional \$1.5, they would lose over time \$1 million in interest income. Ms. Brandt said it was in conjunction with an advance payment on the existing loan the Agency had with the City and that over the life of the loan, there was the potential of losing \$1 million in interest. Ms. Brandt reported Mr. Bobby Young would be making a presentation later in the Agenda.

MOTION: Voting as the Agency and City Council, approve to receive and file the Redevelopment Agency Legislation Update. Moved by Agency Member/Mayor Gary Monahan, seconded by Agency Chair Jim Righeimer.

The motion carried by the following roll call vote:

Ayes: Agency Member/Mayor Gary Monahan, Agency Chair/Mayor Pro Tem Jim Righeimer, Agency/Council Member Eric Bever, Agency/Council Member Wendy Leece,
Noes: None.
Absent: Agency Vice Chair/Council Member Stephen Mensinger

3. Cooperation Agreement between the City of Costa Mesa and the Redevelopment Agency

Ms. Ullman presented the staff report.

Ms. Brady talked about the State budget problem and the Governor's proposal to abolish Redevelopment. The proposed bill was posted by the Department of Finance on February 23, 2011. Portions of the steps outlined in the proposed legislation, especially Proposition 22, were believed to be in violation of the State Constitution by the League of California Cities, California Redevelopment Association and several lawyers. Presuming portions did go forward and until there was an Injunction issued, all or parts of the Redevelopment Agencies could be dissolved. Ms. Brady proceeded to give a detailed explanation of the proposed legislation.

Ms. Brady said the Cooperation Agreement proposed shifting, to the City of Costa Mesa, the projects discussed in the Redevelopment Agency's 5-Year Implementation Plan and commit, encumber and promise Redevelopment tax increment from the Agency to the City of Costa Mesa to carry out the projects.

Ms. Brady explained two categories in Exhibit A of the staff report (Attachment D – Public improvement projects and Attachment E - existing and proposed affordable housing programs) which would be Exhibit A to the City and Agency resolutions and the Cooperation Agreement.

Ms. Brady reported some cities had established Housing Authorities. Because Costa Mesa only had a few more years in its Redevelopment Plan, staff discussed the matter internally and decided the objective was not to develop a Housing Authority but rather bring forth the Cooperation Agreement to keep the revenues within Costa Mesa for Costa Mesa's decision-making instead of the potential of transferring the funds to a Housing Authority or the State. The Costa Mesa City Council would be the Successor Agency and under the proposed bill, it would have an Oversight Committee comprised of 7 members leaning towards education. The Oversight Committee would have veto rights and the ability to review what the City Council was proposing to do with existing obligations or approved development projects. Ms. Brady hoped the Council would be interested in the Cooperation Agreement and added that staff's objective were the programs and projects outlined in the 5-Year Implementation Plan approved in 2010. It would be a commitment by the Agency to transfer tax increment monies to the City so the City could carry out those projects.

Chair/Mayor Pro Tem Righeimer asked if the Cooperation Agreement would unwind in the event the legislation did not pass. Ms. Brady said there would most likely be an amendment or modification to unwind the Cooperation Agreement. She added that under operative Sections 33445 and 33445.1 of the Redevelopment Law, the City could carry out a number of the public improvement projects.

Chair/Mayor Pro Tem Righeimer requested the dollar amount the City had coming from the Redevelopment Agency in the current budget that paid part of the Agency's staffing costs and the amount of dollars the City would lose. Ms. Brandt did not have all the numbers available but stated that a budget adjustment had been processed earlier in the year that allocated an additional \$140,000 from the Redevelopment fund to cover Development Services' staff cost as it related to the Redevelopment Agency. She said staff could provide the information at a later date.

Agency/Council Member Bever mentioned 2016 was referenced as the City's ending aid of the Redevelopment Agency. Ms. Brady clarified 2016 was how long the Redevelopment Plan was effective for. The City formed the Agency in 1972 and adopted the Redevelopment Plan in 1973. Based upon Redevelopment Reform legislation in 1994, the City was allowed to have the Agency go to 2014, and based upon the Agency's ERAF payments, the legislature gave the Agency two more years (2016). The Agency will be allowed to receive tax increment to pay previously incurred indebtedness up to 2016. If the Agency incurs indebtedness up to 2016, it will continue to receive tax increment for 10 more years until 2026, to pay those obligations.

Agency/Council Member Bever mentioned the Agency had a large debt to the City (approximately \$10 million) and at the current rate of repayment, the loan would most likely not be paid within the term describe by Ms. Brady. He asked what that meant to the agreement and if the Agency gave the funds to the City that it did not have, what did that mean to the loan? Ms. Brady explained that in the 1970's and 1980's, the City loaned the Agency a large sum of money. The loan terms were beneficial to the City

because the annual interest payment was seen as a revenue stream (over \$1 million dollars that went to the City's General Fund) to fund certain City functions. Whether or not the legislation was adopted, something incurred a long time ago, may or may not survive. If the Agency's loan did survive, the City would continue to receive tax increment to pay it off.

Ms. Brady deferred to the Finance Department for description of the Agency's tax increment annual projections and tax pay down of the loan.

Budget Officer Bobby Young stated that later in the Agenda he would be presenting a full analysis of the Redevelopment Agency loan.

Agency Member/Mayor Monahan thought the First Time Homebuyer Assistance program had been eliminated and he inquired about the funds. Ms. Ullman said staff made projections as to what the Agency might want to do in the next 5 years. Staff decided to keep the program because in the event this Council or future Councils reinstituted the First Time Homebuyer program, staff would not have to amend the Consolidated Plan or the Cooperation Agreement.

Agency Member/Mayor Monahan asked if the Agency approved the Schedules of Scheduled Projects and did not pay back the extra money to the City, could the Agency allocate the money to a project and would the Agency have to return with an allocation because the project was not allocated in the Schedules that were before them. A brief conversation ensued regarding the question Agency Member/ Mayor Monahan was asking. Ms. Brady confirmed Agency Member/Mayor Monahan's statement and added that if the Agency's interest was not to pay down the City loan (not make a partial pre-payment by the Agency of the City loan), the Agency would have to direct staff to modify the Cooperation Agreement to do current funding of certain programs in the current fiscal year. Agency Member/Mayor Monahan asked which category would the money fall into if the Agency decided not to use the additional money to pay down the loan. Ms. Brady advised the money would fall into the Agency's 80% dollars and recommended the money to towards public improvements that were within the Implementation Plan or were contiguous to the Project Area. Agency Member/Mayor Monahan commented the money was not housing money. Ms. Brady confirmed the pay down money was not housing money.

Agency Member/Mayor Monahan posed a procedural question and asked if the Agency should ask the procedural question first and then return to the Cooperation Agreement. Ms. Brady said it was a good suggestion because the Agency might want to give staff direction to modify the Cooperation Agreement to do current funding of some projects rather than in subsequent fiscal years as described in the attachment. Agency Member/Mayor Monahan had questions regarding the loan. He recommended that after taking comments, the Agency take action on the Status of the Redevelopment Agency Loan from City of Costa Mesa item first and then take action on the Cooperation Agreement.

Agency/Council Member Leece inquired about the 7-member Oversight Committee and asked if it would be created down the road and have jurisdiction to approve/reject some of the projects. Ms. Brady explained that if the Council as the Successor Agency, elected an Oversight Committee, the Committee would determine what would be enforceable obligations, approve development projects and could review existing contracts with third parties. Agency/Council Member Leece asked if the Oversight Committee would receive the money. Ms. Brady said the Committee would not receive the money. Agency/Council Member Leece mentioned the Committee would be weighted with education people. Ms. Brady commented the decision making on the enforceable obligations and approved development projects was education-leaning and there was always the potential, due to the Committee's veto-power, that a project could get rejected.

Agency Chair/Mayor Pro Tem Righeimer opened the session for public comment. There being none, he closed the public comment.

Agency/City Attorney Duarte instructed Agency Chair/Mayor Pro Tem Righeimer to adjourn the Joint Redevelopment Agency/Council meeting, reconvene to the regular Redevelopment Agency meeting and after the Roll Call, take Item 7 out of order to take action; then adjourn the regular Redevelopment Agency meeting and reconvene the Joint Redevelopment Agency/Council meeting and take action on the Cooperation

Agreement.

Agency/Council Member Bever excused himself from the meeting due to a pressing matter he needed to attend.

Agency Chair/Mayor Pro Tem Righeimer adjourned the Joint Redevelopment/Council meeting at 7:50 p.m.

REDEVELOPMENT AGENCY MEETING AGENDA

Agency Chair/Mayor Pro Tem Righeimer called the Redevelopment Agency meeting to order at 7:51 p.m.

I. ROLL CALL

Members Present:	Agency Chair Jim Righeimer Agency Member Wendy Leece Agency Membe Gary Monahan
Members Absent:	Agency Vice Chair Stephen Mensinger Agency Member Eric Bever
Officials Present:	Executive Director Kimberly Brandt Agency Attorney Tom Duarte Neighborhood Improvement Manager Muriel Ullman Special Agency Counsel Celeste Brady Public Services Director Peter Naghavi Budget & Research Officer Bobby Young Management Analyst Dan Baker Agency Secretary Martha Rosales

II. MINUTES

Special Redevelopment Agency Meeting of January 18, 2011.

MOTION: Approve. Moved by Agency Member Gary Monahan, seconded by Agency Chair Jim Righeimer.

The motion carried by the following roll call vote:

Ayes: Agency Chair Jim Righeimer, Agency Member Wendy Leece,
Agency Member Gary Monahan

Noes: None.

Absent: Agency Vice Chair Stephen Mensinger; Agency Member Eric Bever

III. PUBLIC COMMENTS – None

IV. AGENCY MEMBERS' COMMENTS AND SUGGESTIONS

Agency Member Monahan stated the Downtown Library was in the Redevelopment Agency area. He made a request that staff obtain circulation and operation information on the County's Library system.

Agency Member Leece asked Agency Member Monahan if he would be interested in finding out the deferred maintenance costs on the request he made. Agency Member Monahan agreed.

V. WARRANT RESOLUTIONS

1. Ratify Warrant Resolution CMRA-403; Approve Warrant Resolution CMRA-404

MOTION: Approve. Moved by Agency Chair Jim Righeimer, seconded by Agency Member Gary Monahan.

The motion carried by the following roll call vote:

Ayes: Agency Chair Jim Righeimer, Agency Member Wendy Leece, Agency

Member Gary Monahan
Noes: None.
Absent: Agency Vice Chair Stephen Mensinger; Agency Member Eric Bever

VI. OLD BUSINESS – None

VII. NEW BUSINESS

1. Status of Redevelopment Agency Loan from City of Costa Mesa

Budget & Research Officer Bobby Young presented the staff report.

Agency Member Monahan asked if over the next 10 years the Agency would lose \$1 million dollars in interest income if they paid back an additional \$1.5 million this year for capital projects. Mr. Young clarified the \$1 million loss in interest income would be in 13 years, which was the remaining balance term of the loan.

Agency Member Monahan as an example, asked Mr. Naghavi how much of Placentia, if any, qualified as a project in Attachment D (public improvements). Mr. Naghavi was not certain what part of Placentia was within the Downtown Project Area. Ms. Brandt elaborated that Placentia was outside of the Downtown Project Area but it intersected with West 19th Street which was within the Project Area. Although it was not within the Project Area, staff would consult with Counsel because it benefited the Project Area.

Special Agency Counsel Brady said the City and Agency resolutions recited the findings for both within the Project Area - contiguous and non-contiguous to the Project Area. Ms. Brady explained the projects presented in Exhibit A were either within or contiguous. The Agency could fund and direct staff to make factual findings to connect Placentia, which was non-contiguous to the Project Area. Referring to Page 2 of the City Council resolution that reflected CRL Section 33445, Ms. Brady said staff would have to describe why improvements to Placentia would be a benefit to the gateways into the Downtown Project Area. It would go into the record and modify the resolution; the Agency might want to add it to the Exhibit if that was their discretion.

Agency Member Monahan believed the Placentia project was shelf-ready but had no funding. He asked Mr. Naghavi if he had an estimate of the cost. Mr. Naghavi quoted an estimate between \$1 to 1.5 million dollars.

Agency Chair Righeimer clarified if the Agency paid back the \$1.5 million, it would still have funding to do the projects on Exhibit A, and if the Governor's proposal did not go through, it would be back to how it currently was. Ms. Brady confirmed Agency Chair Righeimer's clarification and added that if the Governor's proposal did go through and the Cooperation Agreements were set aside, the projects in Exhibit A would not occur after the fiscal year unless the Agency included them in the Cooperation Agreement. It was also possible that the Governor's legislation would void Cooperation Agreements between cities and agencies. However, if the Governor's proposal did not survive and the Agency wanted to allocate the 80% dollars to a project, this would be the time to do it.

Agency Chair Righeimer opened the session for public comments. There being none, he closed the public comment session.

Agency Member Monahan said he did not want to take a chance on the Agency losing \$1 million dollars in revenue especially if the money could be allocated and spent on projects that were ready to go.

MOTION: Not to use available Agency funds to repay a portion of the Agency's outstanding balance; Moved by Agency Member Gary Monahan, seconded by Agency Chair Jim Righeimer with comment.

Agency Chair Righeimer commented that if the Governor's proposal did not go through, the Agency needed to go to the capital markets and get the loan paid back. As a Council Member he liked the 8% interest but as an Agency Member, 8% was high and he did not think they should be in the lending business.

The motion carried by the following roll call vote:

Ayes: Agency Chair Jim Righeimer, Agency Member Wendy Leece, Agency Member Gary Monahan
Noes: None.
Absent: Agency Vice Chair Stephen Mensinger; Agency Member Eric Bever

VIII. REPORTS

1. Agency Attorney - None
2. Executive Director – None.

IX. ADJOURN

Agency Chair Righeimer adjourned the Redevelopment Agency meeting at 8:04 p.m. and reconvened the Joint Redevelopment Agency/City Council meeting.

RECONVENE SPECIAL JOINT REDEVELOPMENT AGENCY/CITY COUNCIL MEETING

V. NEW BUSINESS - Continued

3. Cooperation Agreement between the City of Costa Mesa and the Redevelopment Agency

At the request of Agency Member/Mayor Monahan, Agency Chair/Mayor Pro Tem Righeimer opened the session for public comment. There being none, he closed the public comment session.

MOTION: Amend Attachment D, Schedule of Projects, and allocate \$1.5 million dollars to the Placentia median project. Moved by Agency Member/Mayor Gary Monahan, seconded by Agency Chair/Mayor Pro Tem Jim Righeimer.

Ms. Brady stated she needed findings and for the record, she would need a description of factual information that connected the Placentia Project to the landscaping median improvements described in the Implementation Plan.

Agency Member/Mayor Monahan withdrew his motion until he heard Ms. Brady's comments.

Ms. Brady further stated one of the findings was part of the Implementation Plan. The focus would be that the Placentia project would benefit the Project Area and there would be no other reasonable means of funding other than through Agency funding.

MOTION: Voting as the City Council, a motion was made to amend Attachment D, Schedule of Projects, and allocate \$1.5 million dollars to a Placentia median project that would benefit the Project Area with no other reasonable means of funding than through the Agency; approve a Resolution of the City of Costa Mesa City Council approving a Cooperation Agreement with the Costa Mesa Redevelopment Agency. Moved by Mayor Gary Monahan, seconded by Mayor Pro Tem Jim Righeimer.

The motion carried by the following roll call vote:

Ayes: Mayor Pro Tem Jim Righeimer, Council Member Wendy Leece, Mayor Gary Monahan
Noes: None.
Absent: Council Member Stephen Mensinger; Council Member Eric Bever

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA
APPROVING A COOPERATION AGREEMENT WITH THE COSTA MESA
REDEVELOPMENT AGENCY; CONSENTING TO PAYMENT BY THE AGENCY
OF CERTAIN PROJECTS, INCLUDING PAYMENT OF ALL OR A PART OF THE
COSTA OF THE INSTALLATION AND CONSTRUCTION OF CERTAIN PUBLIC
IMPROVEMENTS; AND MAKING CERTAIN FINDINGS IN CONNECTION
THERWITH

Agency/Council Member Leece asked what the timing would be as far as selecting and

approving a project now that the Placentia project had been added to the list. Ms. Brady explained the motion was to expend the current fund balance (the 80% dollars) for the Placentia project.

Ms. Brandt expanded on the description of the project and said the stretch of Placentia was between 16th Street, just north of 19th Street with work anticipated to begin in fiscal year 2011-2012.

Agency/Council Member Leece asked if by voting for the Placentia project, they were prioritizing the project from the Schedule of Projects list. Agency Member/Mayor Monahan explained the Placentia project was being added to the Schedule of Projects list and all the projects were part of the allocation of the Cooperation Agreement.

Mr. Naghavi advised that due to the impact the Harbor Boulevard and Placentia median projects would have on businesses, an extensive public outreach program would be required. He wanted the Agency to know that it was going to take time.

Agency Member/Mayor Monahan referred to the Lions Park Playground and Picnic Shelter project listed on Attachment D. He asked Mr. Naghavi if with the allocation, staff would be able to start design in the near future and take the project to the Parks Commission. Mr. Naghavi said once approved, the design process would begin in fiscal year 2011-2012. The conceptual design was ready with minimal details and the project would start on July 1st.

MOTION: Voting as the Agency, a motion was made to amend Attachment D, Schedule of Projects, and allocate \$1.5 million dollars to a Placentia median project that would benefit the Project Area with no other reasonable means of funding than through the Agency; approve a Resolution of the Costa Mesa Redevelopment Agency approving a Cooperation Agreement with the City of Costa Mesa. Moved by Mayor Gary Monahan, seconded by Mayor Pro Tem Jim Righeimer.

The motion carried by the following roll call vote:

Ayes: Agency Chair Jim Righeimer, Agency Member Wendy Leece, Agency Member Gary Monahan
Noes: None.
Absent: Agency Vice-Chair Stephen Mensinger, Agency Member Eric Bever

RESOLUTION OF THE COSTA MESA REDEVELOPMENT AGENCY APPROVING A COOPERATION AGREEMENT WITH THE CITY OF COSTA MESA; COMMITTING FUNDS AND CONSENTING TO PAYMENT BY THE AGENCY OF CERTAIN PROJECTS, INCLUDING PAYMENT BY THE AGENCY FOR ALL OR A PART OF THE COST OF THE INSTALLATION AND CONSTRUCTION OF CERTAIN PUBLIC IMPROVEMENTS; AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH

VI. ADJOURN

Agency Chair/Mayor Pro Tem Righeimer adjourned the Special Joint Redevelopment Agency/City Council meeting at 8:10 p.m.